

Tax Cuts for Working Families Start Today

Wilson: “Working families will notice a difference in their paychecks immediately.”

WASHINGTON, D.C. – The federal tax cuts for middle and lower-income households that are a key part of the \$787 billion Recovery Act go into effect today, Wednesday, April 1, 2009.

The tax cuts offer \$400 this year to individuals making less than \$75,000 and \$800 this year to married couples making less than \$150,000 per year. The tax credits will show up, starting with the pay period that begins today, in workers' paychecks and will be gradually phased out for individuals making more than \$75,000 and couples making more than \$150,000. Individuals who earn more than \$100,000 and couples who earn more than \$200,000 will not receive this tax break.

“The Recovery Act included one of the biggest middle class tax cuts ever passed by Congress,” Rep. Charlie Wilson (OH-6) said. “These tax cuts will put more money into workers' paychecks and that means families will have a bit more breathing room. \$800 can help with groceries, gas, and other necessities, like medicine. That's more money in families' pockets without having to wait to file an annual tax return to get it, and that means more money injected into the economy.”